

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

BEREA COLLEGE ELECTRIC UTILITY)	
DEPARTMENT DEVIATION FROM)	CASE NO. 9422
REGULATIONS)	

O R D E R

The Commission received a letter on July 3, 1985, from Berea College Electric Utility Department ("Berea College"), in which it requested a deviation from 807 KAR 5:041, Section 21(6)(b). This regulation requires the utility to file with the Commission an "estimated average cost differential" between underground and overhead distribution systems. The cost to an applicant for underground service would not be more than such estimated cost differential. Berea College filed additional information in letters dated September 10, 1985, and September 17, 1985, in which it clarified its request for a deviation to apply to the primary service only and not to the individual services to the customer's structure from the distribution transformer.

The deviation requested would allow Berea College to charge a differential for underground service which is based on each individual installation, rather than an estimated cost differential based upon historical costs for underground service. Berea College has only installed three underground services for subdivisions in the past 10 years and since costs associated with underground service have been declining, the use of historical

data would very likely result in higher costs to the customer than if each request for underground service were cost estimated separately.

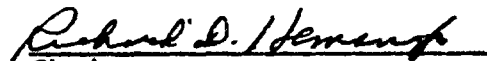
The Commission, having considered the evidence of record and being advised, is of the opinion and finds that the deviation requested by Berea College in its letters filed on July 3, September 10, and September 17, 1985, will likely reduce the cost to its customers for underground service and therefore should be granted.


IT IS THEREFORE ORDERED that the deviation from 807 KAR 5:041, Section 21(6)(b), as requested in letters filed July 3, September 10, and September 17, 1985, be and it hereby is granted.

IT IS FURTHER ORDERED that Berea College shall file new tariffs incorporating this deviation within 20 days from the date of this Order.

Done at Frankfort, Kentucky, this 21st day of October, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary